

# CREATING A STORE ENVIRONMENT THAT ENCOURAGES BUYING: A STUDY ON SIGHT ATMOSPHERICS

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## Abstract

More than ever, consumers respond to more than just the physical product when making a decision to purchase a product. One of the most noteworthy features of a product is the atmosphere of the place in which the product is bought. From time to time, the store atmosphere is more powerful than the product itself. This study focused specifically on the most important atmospheric element – sight. The main research question explored the effect of sight atmospherics on consumer perceptions. Explorative research was conducted together with qualitative research by means of focus groups. Purposive sampling was deemed the most appropriate sampling method for this study. The findings indicated that sight atmospherics can influence consumers' perceptions either subconsciously or consciously, and have a direct influence on the amount of time consumers spend in a specific store. Consumers perceived sight atmospherics as a tool to establish a 'purchasing' atmosphere and as a means of communication to represent the brand of the store. It was established that sight atmospherics create visual attraction and stimulation with consumers, and that they contribute to the image and the character of the store.

**Key Words:** Sight, Atmospherics, Colour, Lighting, Visual Displays, Consumer Perceptions, Apparel Retail

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## 1. Introduction

Retailers make use of various communication methods to market their products and brands to consumers and ultimately influence consumer's perceptions about the store. Communicating with consumers by means of atmospheric cues has long been considered an important aspect of retailing (McGoldrick, 2002).

A retailer's store atmosphere is designed specifically with the purpose of communicating the retailer's image and personality (Berman & Evans, 2013). Determining consumers' perceptions of atmospheric cues used in apparel retail stores can assist in developing a retailer's image, improve customer value, and heighten performance and patronage intention by way of reducing time, cost and energy in keeping or enticing new consumers (Kumar, Garg & Rahman, 2010).

With the intention of adding depth to the perceptions condensed in the atmospherics and to communicate the retailer's brand value, each element of the retailer's atmosphere is planned in such a way as to be different from its competitors. Kotler (1973), who is also known as the 'father of atmospherics', specified that environmental elements in and around a retail store can arouse perceptions about a store and its image. Gardner and Siomkos (1990) reflected this

phenomenon in yet another way and found that sight atmospherics can affect consumer perceptions about a product.

Even though the literature about store atmospherics is extensive, the literature falls short when discussing consumer perceptions based specifically on sight atmospherics used in apparel retail stores. In most cases, sight atmospherics only includes the elements of colour and lighting. For the purpose of completeness, visual displays were added to sight atmospherics as a third element. Displays in apparel retail stores are also noticed in a visual manner by consumers. For that reason, the main objective of this research study was to explore the effect of sight atmospherics on consumers' perceptions in apparel retail stores by scrutinising not only colour and lighting, but also visual displays.

Through the interrelated use of colour, lighting and visual displays these elements become noticeable and perceptible. Therefore, visibility in apparel retail stores depends greatly on the use of the correct lighting (Pegler, 2010). According to Hultén *et al.* (2009), appropriate lighting has the ability to create an applicable mood, which in itself entices a consumer's attention.

## **2. Literature Review**

Atmospherics is a term used to describe the design of a specific space with the intention of influencing consumers on an emotional level to increase purchase intention (Lunardo & Roux, 2015). Owing to the fact that several in-store cues in the retail setting are visually communicated, Kerfoot, Davies and Ward (2003) arrived at the conclusion that 90% of all in-store environment cues are absorbed visually. According to Kotler (1973) several elements can have an impact on sight.

Sight refers to the act of seeing and forming a perception of specific things or objects by using the eyes (AR Dictionary, 2010). Hultén (2011) is of the opinion that sight is considered to be the most influential of all the human senses. It is for this reason that sight was chosen as the focus area for this study.

Perception refers to a consumer's attentiveness and understanding of reality and their surroundings (Harris & Babin, 2016). Essentially, perception is the way consumers understand things. Through the use of sight atmospherics, apparel retailers can communicate certain messages to their consumers. Because consumer perceptions vary from one consumer to the other, the intended message could get lost in translation and reach a particular consumer as something entirely different to the retailer's intent. It is therefore critical for apparel retailers to understand how consumers perceive the communications created by the sight atmospherics used in store.

### **2.1 Colour**

The effect of colour on consumers' perception isn't limited to the merchandise on display only. The colours surrounding consumers while they are shopping – for example, the colour of the walls or the colour of the displays – can also influence consumers' perceptions.

Gupta and Tandhawa (2008) explain that colour is the best atmospheric element to use to entice a consumer into a store and to create an appealing store atmosphere. Bell and Ternus (2012) suggests that colour can be used as a tool to draw consumers into a store and ensure that they walk through the whole store before exiting.

Colour can be integrated throughout a store in various ways – on the interior and exterior store walls, in the signage, with the merchandise and in many other ways (Poloian, 2013). Colours can communicate various emotions and have diverse connotations when experienced through different cultural and/or social lenses (Ebster & Garaus, 2011). Colours such as yellow, gold and red generally evoke energetic, hot and dynamic responses, whereas cool colours such as green, blue and white have a calming effect on consumers (Pegler, 2010).

Because colour is one of the first things consumers notice when walking into a store, it is one

of the most important design elements that retailers can use to communicate with their consumers (Bell & Ternus, 2012). Colour plays an important role in a retail store as it can stimulate feelings and emotions that can trigger memories and experiences (Gobé, 2009:79). Colour can also be used in the design of a brand and a logo, in signage and merchandise and even window displays.

For this reason it is vital for apparel retailers to know and understand the mental meaning and emotional meaning behind colours and to understand consumers' perceptions with regard to the colours used in store. Understanding consumers' perceptions about colour can assist apparel retailers to create a pleasurable in-store atmosphere that can stimulate positive emotions in consumers (Pegler, 2010; Gobé, 2009).

### **2.2 Lighting**

The use of lighting in retail stores is even more essential than apparel retailers comprehend. Different styles of lighting can produce different store atmospheres for consumers (Wiid, 2012). In order to create a definitive mood or ambiance to attract consumers into a store, lighting can be used to introduce merchandise to consumers that they would not necessarily have considered previously.

Lighting can be defined as a means to create artificial illumination (Gilmour, 2010). Bell and Ternus (2012) explains that lighting plays a central role in describing and setting a retailer's brand identity and image. These authors also say that lighting is used in retail stores to highlight merchandise with the aim of creating a feeling or a mood. The benefits and significance of lighting in retail stores have not only been acknowledged by lighting manufacturers, but similarly by academic researchers (Boyce, 2004; Marques, Cardoso & Palma, 2013; Schielke, 2010; Summers & Hebert, 2001).

Pegler (2010) came to the conclusion that consumers will always move towards areas in the store that have the most light. Summers and Hebert (2001) support this view, noting that when a store is well-lit, it will invite customers to go into the store, browse and linger and ultimately motivate them to make a purchase.

Lighting is a key factor in the retail environment's effect on consumers, as intensely lit stores have a more noticeable effect on consumer behaviour than softly lit stores (Mehrabian, 1976). The use of realistic lighting in-store could have an impact on the way consumers perceive the store atmosphere. Additionally, lighting can be used to communicate retail image (Quartier, Vanrie & Cleempoel, 2014).

Consequently, lighting plays a crucial role in the formation of an effective in-store atmosphere. For this reason it is crucial for apparel retailers to be

familiar with and understand the consumer's perceptions of lighting (Binggeli, 2010).

### 2.3 Visual Displays

Visual displays are generally used to decorate a store by adding extra props, colours, fixtures, posters, frills and materials to a store in order to promote the sales of specific merchandise (Colborne, 1996). A visual display is a strategic tool that apparel retailers can utilise to assist in the sales process by enticing consumers and piquing their interest. Visual displays can assist apparel retailers to create a competitive advantage that is not easily duplicated, as they can create a look and feel that is unique to their merchandise and image (Bell & Ternus, 2012).

If effective, visual displays can invite consumers into a store and influence them to make a purchase. Visual displays can include, among other elements, merchandise arrangements, props and signage (Pegler, 2010). Owing to the fact sight is the most influential of all the human senses, good visual displays can appeal both to consumers' cognitive as well as emotional senses. As soon as the visual displays have attracted consumers, retailers can further utilise the visual displays to keep the consumers in the store by directing them towards certain products. Therefore apparel retailers can increase their probability of making sales by understanding consumer perceptions regarding visual displays and by determining what works and what does not.

Visual displays can assist retailers to achieve their sales targets if the visual displays make decent first impressions. If the visual appearance of the store is satisfactory and the merchandise is attractively presented through the visual displays in-store as well as the window displays, it is possible that consumers will browse longer and eventually make a purchase.

Visual displays can perform various functions, including attracting the consumer, welcoming a new season, promoting slow-moving merchandise, or announcing a sale. If the retailer is privileged enough to have storefront windows, then the retailer has one of the most recognised (and least costly) forms of promotion at their fingertips. Retail store windows is the one way through which retailers can visually communicate the merchandise on offer to consumer and stop them in their tracks as they walk past the store. Once the window displays has the consumers attention, the in-store displays can further entice the consumer. Even though some stores may not have storefront windows, there are several places throughout the store where visual displays can be fashioned, including in-store displays on shelves or fixtures, stock displays and point of purchase displays (Wiid, 2012).

### 3 Methodology

The extent to which sight atmospherics have an effect on consumer perceptions was studied by means of exploratory research. Because a comprehensive explanation in terms of consumer perceptions was required, qualitative research was deemed the best research design to use. The empirical data was gathered through self-reporting as a data source by means of focus groups.

Focus groups are free flowing interviews between small groups of people, typically between six and ten participants (Zikmund & Babin, 2010). Focus groups align well with an exploratory paradigm as they are designed to shed light on vague situations. In the focus groups, the participants were asked about their views, opinions and perceptions towards sight atmospherics, focusing on colour, light and visual displays.

Each focus group consisted of eight participants that were selected by means of non-probability, purposive sampling. The participants were selected based on their availability and by the purposive judgement of the researcher, based on the following inclusion criteria: people who are located in Gauteng and that purchase apparel and apparel related items at retail outlets in Gauteng; people who have access to e-mail; people who speak, read and comprehend English; people who have the time and are willing to participate in the study. Given the qualitative paradigm of the study, the goal was not to be representative, but to be able to transfer the findings and information towards further research studies.

In each focus group session, various photographs of an apparel retail store in Gauteng were used to illustrate visual examples of sight atmospherics. In order to structure the focus group sessions, the following questions were asked:

1. What do you understand about the term "sight atmospherics"?
2. When you walk into an apparel retail store, what influence does the use of *colours* have on your perception of the store?
3. When you walk into an apparel retail store, what influence does the use of *lighting* have on your perception of the store?
4. When you walk into an apparel retail store, what influence does the use of *visual displays* have on your perception of the store?

As the gathered data were contextual in nature, thematic analysis was used to evaluate the data. Thematic analysis is a data analysis process in which data patterns are searched for and arranged according to themes and categories based on the found patterns.

### 4 Results

The results revealed that the lighting used in a store was a significant factor when making a decision to enter a store or not. The participants favoured stores

that are saturated with light rather than stores stifled by darkness. The focus groups concurred that if they observed a store from a distance and it looked like the store was not well lit, it could prevent them from entering the store. If a store is too dark it is perceived as being dirty or that the retailer is purposefully trying to hide something.

The participants agreed that lighting is a symbol of quality and cleanliness. The focus groups established that lighting could have a positive or a negative outcome on consumers' perceptions in apparel retail stores. A positive outcome meant that consumers will linger and browse in a store for longer and will generally spend more money in the store. In contrast, consumers will decide to not enter a store or they will minimize the time they spend in store, thus decreasing the probability of a sale.

The participants identified that a prominent visual stimulant was colour, which creates visual attraction and stimulation. The participants explained that a colourful store attracted their attention and enticed them to enter the store. The focus groups explained that they were sensitive to the use of colour in displays, that they appreciated the realistic use of colour, as opposed to the use of colour in an attempt to make a display seem trendy.

The participants explained that visual displays used in apparel retail stores are mostly perceived in subliminal ways and that consumer perceptions are influenced by personal preferences and contextual aspects such as themes, store type, gender, sensory and cognitive aspects. A fantastic, extravagantly fictional display, while attractive for some consumers, would not appeal to others if it was out of context with the merchandise on offer.

The focus groups went on to comment that they often notice a specific theme that is communicated through visual displays and that they appreciate a retailer's consideration to social and environmental occurrences and adapt displays accordingly. Participants are of the opinion that visual displays should stay true to the retail image and should be updated regularly to keep up with current seasons and trends. The focus groups continued to say that they notice themes that do not fit with a certain time or space, or themes that send the wrong message through the display.

It was found that displays should be logical, realistic and bright. They also mentioned that the displays should be at eye-level, balance the amount of space and foot traffic of the store, and would be more productive if use was made of mannequins. It was highlighted that the displays should provide information (for example using signage) about the merchandise on display.

Despite the fact that the focus groups concurred that visual displays are useful, the participants were determined to point out the aspects that hindered the successful perception of a display. Focus groups felt that it was imperative that visual displays should be

secondary to the actual merchandise sold in a store. Moreover, the participants were acutely aware of having sufficient space to move around a store without restriction. Consequently, extensive and busy displays were not well received.

## **5 Conclusion**

Participants' perceptions of sight atmospherics were found to be powerful enough to influence cognitive processes and change consumer behaviour by creating curiosity and a desire to look at the merchandise. These changes in thinking and behaviour have a direct effect on the amount of time consumers spend in a specific store. Consumers perceived sight atmospherics as an instrument to create a 'purchasing' atmosphere and as a means to communicate the image of the store to consumers

It was established that sight atmospherics create visual attraction and stimulation with the consumers, and that it contributes to the image and the character of the store. Participants mentioned that sight atmospherics enhanced their perceptions by creating a relaxed environment to shop in. They also stated that sight atmospherics contributed to the perception of quality of the product sold in store. Participants mentioned that physical and sensual characteristics are important to them. Characteristics like brightness of colours and lighting, the size and height of displays, the suitability of the displays and the fact that the displays should be realistic and logical were emphasized. The participants pointed out that visual displays should never be messy, but should always stay spotless and be well designed.

## **6 Areas For Future Research**

An interesting study would be to determine whether sight atmospherics have the ability to act as an identifying factor which enables consumers to recognize a brand or store only by considering the sight atmospherics.

Testing consumers' perceptions of sight atmospherics from two different retailers from the same retail group located in different regional areas could make for an interesting study.

Another stimulating study would be the investigation of whether the different atmospheric elements (sight, sound, touch and smell) in a retail environment can be used as a segmentation tool, as consumers of different ages, backgrounds and cultures might respond in different manners to various sounds, smells and visual stimuli.

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